



**DETROIT BROWNFIELD REDEVELOPMENT AUTHORITY
REGULAR BOARD OF DIRECTORS MEETING
WEDNESDAY, OCTOBER 25, 2023
4:00 PM**

BOARD MEMBERS PRESENT:

Jose Lemus
John George
Raymond Scott
Eric Dueweke
Maggie DeSantis

BOARD MEMBERS ABSENT:

Juan Gonzalez
Sonya Mays
Amanda Elias
Pamela McClain

OTHERS PRESENT:

Jennifer Kanalos (DEGC/DBRA)
Brian Vosburg (DEGC/DBRA)
Cora Capler (DEGC/DBRA)
Sierra Spencer (DEGC/DBRA)
Kenyetta Bridges (DEGC/DBRA)
Nasri Sobh (DEGC)
Rebecca Navin (DEGC)
Glen Long, Jr. (DEGC)
Lanard Ingram (DEGC)
Medvis Jackson (DEGC)
Ngozi Nwaesei (Lewis & Munday)
Dan Gough (EGLE)
Bret Stuntz (SME)
Clifford Brown (Woodborn Partners)



**MINUTES OF THE DETROIT BROWNFIELD
REDEVELOPMENT AUTHORITY REGULAR MEETING
WEDNESDAY, OCTOBER 25, 2023**

CALL TO ORDER

Chairperson Raymond Scott called the meeting to order at 4:33 PM.

Ms. Kanalos took a roll call of the DBRA Board Members present and a quorum was established.

GENERAL

Approval of Agenda:

Mr. Scott called for a motion approving the agenda of the October 25, 2023 DBRA meeting, as presented.

The Board took the following action:

Ms. DeSantis made a motion approving the agenda of the October 25, 2023 DBRA meeting, as amended. Mr. Dueweke seconded the motion.

Approval of Minutes:

Mr. Scott called for a motion approving the minutes of October 11, 2023, as presented.

The Board took the following action:

Ms. DeSantis made a motion approving the minutes of the October 11, 2023 Board meeting, as presented. Mr. George seconded the motion.
DBRA Resolution Code 23-10-02-330 was unanimously approved.

Treasurer's Report – September 2023

Mr. Long presented the September 2023 Treasurer's Report.

Seeing no questions, Mr. Scott called for a motion to accept the September 2023 Treasurer's Report, as presented. The Board took the following action:

Mr. George made a motion accepting the September 2023 Treasurer's Report, as presented. Mr. Dueweke seconded the motion.
DBRA Resolutions Code 23-10-03-240 was unanimously approved.

PUBLIC COMMENT

None.

PROJECTS

Land Assembly Project: Funding Agreement with City for Kettering and Fort Street Sites

Ms. Bridges presented the Land Assembly Project: Funding Agreement with City for Kettering and Fort Street Sites to the DBRA Board.

As the Board is aware, the City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority (“DBRA”) in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the “Land Assembly Project”). This includes utilizing state funds that support site readiness activities and to support competitive attraction opportunities wherein site readiness is a barrier to economic growth and job creation.

In October 2022 the City of Detroit (the “City”) was awarded a \$25 Million grant from the Michigan State Land Bank (the “SLBA”) under the blight elimination grant program authorized by Section 1094(2) of PA 166 of 2022 (the “SLBA Grant”). Under the terms of the SLBA Grant, the City and the SLBA have identified specific eligible properties on which blight elimination activities will be funded using the SLBA Grant. Blight elimination activities include, but are not limited to, demolition of above-ground structures and adjacent parking lots; abatement and environmental response and remediation activities; subsurface structure remediation and/or removal; stabilization and partial exterior rehabilitation of retained structures; infrastructure relocation; associated site preparation activities for future development; and miscellaneous site clearing activities (e.g., stockpiled soil, rubble, tires, misc. landscaping and grubbing) (collectively, the “Grant Activities”).

In furtherance of the Land Assembly Project, the City has requested that the DBRA accept SLBA Grant funds to undertake Grant Activities, either directly or through a third-party vendor or developer, at two sites as follows (the “Project”):

<u>Sites</u>	<u>Amount</u>	<u>Eligible Grant Activities</u>	<u>Implementing Entity</u>
Former Kettering High School 6101 Van Dyke	\$4,009,395.60	Building abatement and demolition, soil stockpile assessment and removal, other activities related to the foregoing.	DBRA and/or selected developer, as applicable
Fort Street 6701 W. Fort, 201 Waterman	\$1,500,000.00	Demolition, excavation, site infrastructure, road improvements/resurface, utility removal and relocation, site preparation and other activities relating to the foregoing.	Property owner (Fort Street Company 7, LLC and Fort Street Company 4, LLC, or a designated affiliate thereof)

Accordingly, staff requests the DBRA Board’s approval of a funding agreement with the City to accept SLBA Grant funds from the City in the amount of \$5,509,395.60 (inclusive of a 3% administrative fee for staff time, on the Fort Street Project only) for the implementation of the Project.

A resolution was attached for the Board’s consideration.

Mr. Dueweke asked for more information on Fort Street Company 7, LLC and Fort Street Company 4, LLC. Ms. Bridges stated that Fort Street Company 7, LLC and Fort Street Company 4, LLC are entities owned by Bedrock.

Ms. DeSantis asked if there will be any existing residential properties demolished as part of the Grant Activities. Ms. Bridges stated that there will not be any residential properties demolished as part of the Grant Activities.

Mr. George asked if the amount for the Eligible Grant Activities for the Former Kettering High School site will cover all of the work that needs to be completed on the property. Ms. Bridges confirmed that the amount

for the Eligible Grant Activities for the former Kettering High School site will cover all of the work that needs to be completed on the property.

Mr. George asked if there is a planned future development for the Kettering High School site. Ms. Bridges stated that the intent is to get the property ready for a future development, but that there is not a specific project ready for that site at this point.

Ms. DeSantis asked if the City is pursuing light manufacturing use on the Former Kettering High School site or if it would be used for a warehousing or distribution center. Ms. Bridges stated that the City is pursuing a light manufacturing use for the Former Kettering High School site as a preferred use because it results in greater job creation. Ms. Bridges stated that an example of light manufacturing is Dakkota's instrument panel assembly operations adjacent to the Former Kettering High School site.

Mr. Scott called for a motion to approve the Land Assembly Project: Funding Agreement with City for Kettering and Fort Street Sites, as presented. The Board took the following action:

Mr. George made a motion to approve the Land Assembly Project: Funding Agreement with City for Kettering and Fort Street Sites, as presented. Mr. Dueweke seconded the motion. DBRA Resolution Code 23-10-262-53 was unanimously approved.

Land Assembly Project: MSF Strategic Site Readiness Grant Application and Acceptance

Ms. Bridges presented the Land Assembly Project: MSF Strategic Site Readiness Grant Application and Acceptance to the DBRA Board.

As the Board is aware, the City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority ("DBRA") in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the "Land Assembly Project"). This includes utilizing state funds that support site readiness activities and to support competitive attraction opportunities wherein site readiness is a barrier to economic growth and job creation.

Michigan Strategic Fund ("MSF") Strategic Site Readiness Program (the "SSRP") provides financial incentives to eligible applicants to conduct eligible activities on, or related to, strategic sites and mega-strategic sites in Michigan for the purpose of creating a statewide inventory of investment-ready sites to attract and promote investment in Michigan. Eligible SSRP activities include, but are not limited to, site preparation and improvement infrastructure improvements (e.g., transportation; infrastructure, water and wastewater infrastructure, and utilities necessary to service the site); demolition, construction, alteration, rehabilitation, or improvement of buildings on the site; environmental remediation; and architectural, engineering, surveying, and other predevelopment work required to commence construction on site improvements.

The City of Detroit (the "City") and DBRA staff have identified Detroit City Airport (the "Airport") as a key site for the Land Assembly Project and for the SSRP. Accordingly, in October, 2023, DBRA staff submitted an application to the MSF requesting SSRP grant funding for site readiness activities at the Airport. Specifically, DBRA requested a \$17 million grant to be used for site readiness activities including but not limited to, clearing grubbing, demolition of pavement/runways and existing buildings, soil erosion, earthwork, site utilities, sanitary sewers, storm sewers, water main, paving aggregate, asphalt paving, site concrete, curbs, fencing and electrical substation, as well as a 3% administrative fee on account of DBRA staff time spent on the grant activities.

Grant decisions are expected to be made by MSF in late 2023 or first quarter of 2024. If awarded, expenditures of the SSRP grant funds would be subject to DBRA's standard procurement and board approval processes. DBRA staff requests the DBRA Board's approval of the acceptance of a SSRP grant of up to \$17,000,000, if awarded.

A resolution was attached for the Board's consideration.

Mr. Dueweke asked for additional information on the activities to be undertaken with the grant funds and clarification on which buildings will be demolished at City Airport. Ms. Bridges stated that the funds will largely be used to demolish the crosswind runway and five hangar buildings that are located parallel to Connor Avenue and are in disrepair. The existing fire station near the hangars on the property will not be demolished.

Ms. DeSantis asked if the improvement efforts that the Detroit Building Authority is performing at City Airport conflict with the work that will be performed through the SSRP grant funds. Ms. Bridges stated that the improvement efforts that the Detroit Building Authority is performing at City Airport do not conflict with the work that will be performed through the SSRP grant funds, and that all of the efforts are in response to the City not securing the eVTOL air taxi investment project, and to make City Airport more attractive for future uses that may be complimentary to the current uses of City Airport.

Ms. DeSantis asked if City Airport will still function as an airport in the future. Ms. Bridges confirmed that the intention is for City Airport to continue to operate as an airport in the future and that the improvements are being undertaken to position it to be able to adapt to and attract new flight technologies.

Ms. DeSantis asked if the portion of McNichols that was closed for City Airport will be reopened. Ms. Bridges stated that to her knowledge there are not any current plans to reopen the portion of McNichols that was closed for City Airport.

Mr. Scott called for a motion to approve the Land Assembly Project: MSF Strategic Site Readiness Grant Application and Acceptance, as presented. The Board took the following action:

Mr. George made a motion to approve the Land Assembly Project: MSF Strategic Site Readiness Grant Application and Acceptance, as presented. Ms. DeSantis seconded the motion. DBRA Resolution Code 23-10-262-54 was unanimously approved.

COE II Project: EGLE Grant Application

Mr. Vosburg presented the COE II Project: EGLE Grant Application to the DBRA Board.

The DBRA has been asked if they would be willing to sponsor a grant application for Coe Van Dyke II, LLC (an affiliate of Woodborn Partners) to the Michigan Department of Environment, Great Lakes and Energy ("EGLE"), for up to \$1,000,000 in funds ("Funding") from the State of Michigan to offer an environmental cleanup grant through their existing Brownfield Grant and Loan Program.

The project site consists of 6 parcels which consist of 2 vacant homes and vacant land on Van Dyke between Coe Ave. and St Paul St. in the West Village neighborhood. The block directly to the south is the home of the developer's Coe I development.

The Coe II development will be a new construction mixed used 4 story building totaling approximately 33,000 square feet representing an investment of \$17 million. The building will feature 50 apartments, with 20% of the units set aside for tenants earning 80% AMI, as well as 1,600 square feet of ground floor retail and 43 onsite parking spaces.

Environmental testing has revealed soil contamination resulting from prior retail users of the parcels. Grant funding would be used to fund additional environmental testing, soil removal and disposal, and professional oversight and reporting. The goal is to clean the parcels to an unrestricted residential standard to achieve a No Further Action status. The EGLE grant funds would reduce the amount of any future Brownfield TIF or LBRF grant/loan requests, which are anticipated to be requested by the developer at a future date.

Given the fact that the grant funding will result in a No Further Action status for the properties and is a mixed-use project in a dense, walkable neighborhood, EGLE staff have indicated that they would look very favorably at an application for this project.

No local match is required as part of this grant application. If the DBRA and Developer are awarded the grant, the DBRA will be reimbursed by the grant for any administrative costs incurred.

A representative for the Developer will be present at the board meeting to give a brief presentation and answer questions Board members may have regarding the project.

A resolution supporting the submission of the Coe II EGLE Grant application was attached for the Board's review and approval.

Ms. DeSantis stated that she is not in favor of the design of the first COE project or the modern design of the COE II project because of the historic, traditional design of the existing structures in the neighborhood but respects the work that Mr. Brown does. Mr. Brown stated that he appreciates Ms. DeSantis' feedback and added that he recently acquired the nearby historic Van Dyke Village Apartments and is investing in and upgrading that property to preserve the existing affordable housing in the building.

Mr. Dueweke asked if the two vacant homes have been acquired by the developer. Mr. Brown stated that he has and has received approval of the Historic District Commission to demolish the two existing single-family homes on the property and that one of the homes was occupied but the residents were moved into the COE development with a portion of their rent as well as moving expenses being covered by the developer.

Mr. Lemus asked for clarification on if there will be a Brownfield Plan pursued by the developer for the project and how that would work with this grant. Mr. Vosburg stated that the developer has informed staff that he plans to pursue a Brownfield Plan and that the grant will be used to fund environmental eligible activities in full with the Brownfield Plan being only being used to assist with the non-environmental Eligible Activities of the project.

Mr. Scott called for a motion to approve the COE II Project: EGLE Grant Application, as presented. The Board took the following action:

Mr. George made a motion to approve the COE II Project: EGLE Grant Application, as presented.

Mr. Lemus seconded the motion.

Mr. Lemus, Mr. George, Mr. Scott & Mr. Dueweke voted aye. Ms. DeSantis abstained.

DBRA Resolution Code 23-10-323-01 was approved.

ADMINISTRATIVE

None.

OTHER

None.

ADJOURNMENT

Citing no further business, Mr. Scott called for a motion to adjourn the meeting.

On a motion by Mr. George, seconded by Ms. DeSantis, the meeting was unanimously adjourned at 4:57 PM.



CODE DBRA 23-10-02-330

APPROVAL OF MINUTES OF OCTOBER 11, 2023

RESOLVED, that the minutes of the special meeting of October 11, 2023 are hereby approved and all actions taken by the Directors present at such meeting, as set forth in such minutes, are hereby in all respects ratified and approved as actions of the Detroit Brownfield Redevelopment Authority.

October 25, 2023



DBRA 23-10-03-240

ACCEPTANCE OF TREASURER'S REPORT FOR SEPTEMBER 2023

RESOLVED, that the Treasurer's Report of Receipts and Disbursements for the period September 1 through September 30, 2023, as presented at this meeting is hereby in all respects accepted as actions of the Detroit Brownfield Redevelopment Authority.

October 25, 2023



CODE DBRA 23-10-262-53

LAND ASSEMBLY PROJECT: FUNDING AGREEMENT WITH CITY FOR KETTERING AND FORT STREET SITES

WHEREAS, the City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority (“DBRA”) in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the “Land Assembly Project”); and

WHEREAS, in October 2022 the City of Detroit (the “City”) was awarded a \$25,000,000 grant from the Michigan State Land Bank (the “SLBA”) under the blight elimination grant program authorized by Section 1094(2) of PA 166 of 2022 (the “SLBA Grant”) pursuant to which the City and the SLBA have identified specific eligible properties on which blight elimination and other eligible activities will be funded using the SLBA Grant; and

WHEREAS, in furtherance of the Land Assembly Project the City has requested that the DBRA accept SLBA Grant funds to undertake grant activities, either directly or through a third-party vendor or developer, at two sites as follows (the “Project”):

<u>Sites</u>	<u>Amount</u>	<u>Eligible Grant Activities</u>	<u>Implementing Entity</u>
Former Kettering High School 6101 Van Dyke	\$4,009,395.60	Building abatement and demolition, soil stockpile assessment and removal, other activities related to the foregoing.	DBRA and/or selected developer, as applicable
Fort Street 6701 W. Fort, 201 Waterman	\$1,500,000.00	Demolition, excavation, site infrastructure, road improvements/resurface, utility removal and relocation, site preparation and other activities relating to the foregoing.	Property owner (Fort Street Company 7, LLC and Fort Street Company 4, LLC, or a designated affiliate thereof)

WHEREAS, pursuant to its statutorily authorized powers, the DBRA has the power to accept funding, expend DBRA funds, undertake blight elimination and other site preparation activities, and take the other steps contemplated by this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby authorizes the acceptance of \$5,509,395.60 of SLBA Grant funds from the City for the Project (inclusive of a 3% administrative fee for staff time, on the Fort Street Project only).

BE IT FURTHER RESOLVED, that the Board of Directors of the DBRA authorizes the execution of a funding agreement, subject to City Council approval, upon such terms and conditions as may be approved by counsel and Authorized Agents to the DBRA, so long as such terms and conditions are not materially inconsistent with this resolution and do not have a materially adverse impact on the DBRA.

BE IT FURTHER RESOLVED, that any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

October 25, 2023



CODE DBRA 23-10-262-54

LAND ASSEMBLY PROJECT: MSF STRATEGIC SITE READINESS GRANT APPLICATION AND ACCEPTANCE

WHEREAS, the City of Detroit administration has requested the assistance of the City of Detroit Brownfield Redevelopment Authority (“DBRA”) in industrial land assembly activities aimed at establishing market-ready industrial sites within City limits in order to attract manufacturing and logistics companies (the “Land Assembly Project”); and

WHEREAS, Michigan Strategic Fund (“MSF”) Strategic Site Readiness Program (the “SSRP”) provides financial incentives to eligible applicants to conduct eligible activities on, or related to, strategic sites and mega-strategic sites in Michigan, for the purpose of creating a statewide inventory of investment-ready sites to attract and promote investment in Michigan; and

WHEREAS, the City of Detroit (the “City”) and DBRA staff have identified Detroit City Airport (the “Airport”) as a key site for the Land Assembly Project and for the SSRP, and in October, 2023, DBRA staff submitted an application to MSF for a SSRP grant in the amount of \$17 million for site readiness activities at the Airport, including but not limited to, clearing grubbing, demolition of pavement/runways and existing buildings, soil erosion, earthwork, site utilities, sanitary sewers, storm sewers, water main, paving aggregate, asphalt paving, site concrete, curbs, fencing and electrical substation, as well as a 3% administrative fee on account of DBRA staff time spent on the grant activities; and

WHEREAS, pursuant to its statutorily authorized powers, the DBRA has the power to accept grant funding, expend grant funds, undertake site readiness activities, and take the other steps contemplated by this Resolution.

NOW, THEREFORE, BE IT RESOLVED, that the DBRA Board of Directors hereby authorizes the acceptance of a SSRP grant of up to \$17,000,000 from MSF, if awarded (inclusive of a 3% administrative fee on account of DBRA staff time spent on the grant activities).

BE IT FURTHER RESOLVED, that the Board of Directors of the DBRA authorizes the execution of a grant agreement with MSF, upon such terms and conditions as may be approved by counsel and Authorized Agents to the DBRA, so long as such terms and conditions are not materially inconsistent with this resolution and do not have a materially adverse impact on the DBRA.

BE IT FURTHER RESOLVED, that any one of the officers and any one of the Authorized Agents of the DBRA or any two of the Authorized Agents of the DBRA shall hereafter have the authority to negotiate and execute all documents, contracts, or other papers, and take such other actions, necessary or appropriate to implement the provisions and intent of this Resolution on behalf of the DBRA.

BE IT FINALLY RESOLVED, that all of the acts and transactions of any officer or authorized agent of the DBRA, in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolutions except that such acts were taken prior to execution of these resolutions, are hereby in all respects confirmed, approved and ratified.

October 25, 2023



CODE DBRA 23-10-323-01

COE II: EGLE GRANT APPLICATION

WHEREAS, the DBRA was created pursuant to Act 381 of the Public Acts of Michigan of 1996 (“Act 381”) for the purpose of facilitating the implementation of brownfield plans and promoting the revitalization, redevelopment, and reuse of certain property, including, but not limited to, tax reverted, blighted or functionally obsolete property within the City of Detroit; and

WHEREAS, the Michigan Department of Environment, Great Lakes and Energy (the “EGLE”) has opened an application period for new applications for the Brownfield Grant and Loan Program (the “Grant”); and

WHEREAS, Coe Van Dyke II, LLC (the “Developer”) has approached the DBRA to sponsor an application for an EGLE Brownfield Grant and Loan Program grant application for the Coe II development on Van Dyke between Coe Avenue and St. Paul Street, which will entail additional environmental testing, soil removal and disposal, and professional oversight and reporting in order to prepare for the construction of a new mixed-use development with retail and rental housing (the “Project”); and

WHEREAS, the DBRA believes that the Project and Developer is well suited to be a successful Grant recipient; and

WHEREAS, the Board of Directors of DBRA has determined that proposed grant is consistent with the powers of the DBRA, its statutory purpose, and its submission is supported by the Brownfield Redevelopment Financing Act (Act 381 of the Public Acts of Michigan of 1996, as amended).

NOW THEREFORE BE IT RESOLVED:

1. That Board of Directors of the City of Detroit Brownfield Redevelopment Authority do hereby support and approve an up to one million (\$1,000,000.00) EGLE Grand and Loan Program grant for the Project being developed by Coe Van Dyke II, LLC and/or its successors.
2. That any Authorized Agent of the DBRA is authorized and directed to submit appropriate documents to EGLE to support and secure funds for the Project on behalf of the DBRA.
3. That upon award, the DBRA is authorized to accept and utilize the Grant to reimburse the Developer for eligible costs.
4. That all acts and transactions of any Officer or Authorized Agent of the DBRA in the name and on behalf of the DBRA, relating to matters contemplated by the foregoing resolutions, which acts would have been approved by the foregoing resolution except that such acts were taken prior to execution of these resolution, are hereby in all respects confirmed, approved and ratified.
5. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are rescinded.

October 25, 2023